

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

<b>In re:</b>  <b>W.R. GRACE &amp; CO., <i>et al.</i>,</b>  <b>Debtors.</b>	<b>§ § § § § §</b>	<b>Chapter 11</b>  <b>Jointly Administered</b> <b>Case No. 01-01139 (KJC)</b>
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**FEE AUDITOR'S AMENDED FINAL REPORT REGARDING THE ONE  
HUNDRED THIRTY-SECOND MONTHLY FEE APPLICATION AND THE  
AMENDED FINAL FEE APPLICATION OF PRICEWATERHOUSECOOPERS  
LLP FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR  
THE PERIOD OF JANUARY 10, 2002 THROUGH FEBRUARY 3, 2014**

This is the amended<sup>1</sup> final report of Warren H. Smith & Associates, P.C., acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the One Hundred Thirty-Second Monthly Fee Application and the Amended Final Fee Application of PricewaterhouseCoopers LLP for Compensation and Reimbursement of Expenses for the Period of January 10, 2002 through February 3, 2014 (the “Applications”).

**BACKGROUND**

1. PricewaterhouseCoopers LLP (“PwC”) was retained as auditors and tax consultants to the Debtors and Debtors-in-Possession. In the Applications, PwC seeks approval of fees and expenses as follows: fees totaling \$774,723.51 and expenses totaling \$11,665.45 for its services from January 1, 2014 through February 3, 2014 (the “One Hundred Thirty-Second Monthly Application”);

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<sup>1</sup>This final report is being amended to address the additional fees of \$20,483.30 sought in PwC’s recently-filed Amended Final Fee Application. These fees were for PwC’s services on the Global Restructuring Project during the month of January 2014. In addition, in its Amended Final Application, PwC reduced its final expense request by \$356.67 to reflect the Court’s reduction for the Fifty-First Interim Period, as in our original final report we had pointed out that PwC’s original final fee application had failed to do so.

fees totaling \$20,483.30 and no expenses for its services on the Global Restructuring Project from January 1, 2014 through January 31, 2014 ("Global Restructuring Project – January 2014"); and final approval of fees totaling \$31,061,868.29<sup>2</sup> and expenses totaling \$772,606.60<sup>3</sup> for its services from January 10, 2002 through February 3, 2014 (the "Final Application Period").

2. In conducting this audit and reaching the conclusions and recommendations contained herein, we reviewed in detail the Application in its entirety, including each of the time and expense entries included in the exhibits to the Application, for compliance with 11 U.S.C. § 330, Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2014, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, Issued January 30, 1996 (the "U.S. Trustee Guidelines"), as well as for consistency with precedent established in the United States Bankruptcy Court for the District of Delaware, the United States District Court for the District of Delaware, and the Third Circuit Court of Appeals.

## **DISCUSSION**

### **One Hundred Thirty-Second Monthly Application**

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<sup>2</sup>We note that the total of the fees requested in PwC's 47 prior fee applications, plus the compensation sought in the One Hundred Thirty-Second Monthly Application, and the compensation sought for the Global Restructuring Project – January 2014, is \$31,147,143.80. It appears that PwC has deducted from this amount all of the reductions ordered by the Court for the prior periods, which periods are discussed in more detail in paragraph 9, to arrive at the figure it seeks of \$31,061,868.29. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

<sup>3</sup>We note that the total of the expenses requested in PwC's 47 prior fee applications, plus the expenses sought in the One Hundred Thirty-Second Monthly Application, is \$789,190.08. It appears that PwC has deducted from this amount all of the reductions ordered by the Court for the prior periods, which periods are discussed in more detail in paragraph 9, to arrive at the figure it seeks of \$772,606.60. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

3. We note for informational purposes that PwC billed the following professionals' time at rates in excess of \$1,000.00 per hour:

Cody L. Smith – 1.0 hour at \$1,106.17 per hour, for total fees of \$1,106.17;

Ravi S. Rao – 5.0 hours at \$1,106.17 per hour, for total fees of \$5,530.85; and

Sara L. DeSmith – 1.0 hour at \$1,036.32 per hour, for total fees of \$1,036.32.

4. We have no issues with, or objections to, the fees and expenses in PwC's One Hundred Thirty-Second Monthly Application, and thus we did not send an initial report to PwC.

5. Thus, we recommend approval of \$774,723.51 in fees and \$11,665.45 in expenses for PwC's One Hundred Thirty-Second Monthly Application.

#### **Global Restructuring Project – January 2014**

6. We have no issues with, or objections to, PwC's fees for the Global Restructuring Project – January 2014. However, we note that PwC filed its Amended Final Application requesting approval of these additional fees after May 12, 2014, which was the deadline set by the Court for filing final fee applications.<sup>4</sup> Therefore, our recommendation concerning these additional fees is contingent upon neither the Court nor the United States Trustee having any objection to them.

7. Thus, we recommend approval of \$20,483.30 in fees for PwC's services for the Global Restructuring Project – January 2014.

#### **Prior Interim Applications**

8. We note that PwC would file separate monthly applications for its special auditing or accounting projects and would include these sums in its quarterly application for the applicable

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<sup>4</sup>See Order Extending Deadline to File Final Applications for Compensation of Professionals and Reimbursement of Expenses (Docket No. 32110).

period. The reports and orders listed below pertain to PwC's general auditing services, unless otherwise indicated in bold print.

9. We note that we previously filed the following final reports for PwC's prior interim applications, which final reports we incorporate by reference herein, and we also note the following orders that ruled on PWC's prior interim fee applications:

6<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of PricewaterhouseCoopers LLP for the Sixth Interim Period (Docket #3373), filed on or about February 11, 2003, in which we recommended approval of fees totaling \$500,528.33 and expenses totaling \$11,778.78, reflecting our recommended reduction of \$183.70 in expenses, as further explained in paragraphs 5 and 6 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Sixth Period, dated March 14, 2003 (Docket #3511).

7<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of PricewaterhouseCoopers LLP for the Seventh Interim Period (Docket #3629), filed on or about April 7, 2003, in which we recommended approval of fees totaling \$263,914.19 and expenses totaling \$19,977.27, reflecting our recommended reductions of \$6,182.81 in fees and \$69.83 in expenses, as further explained in paragraphs 8, 13 and 20 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Seventh Period, dated July 28, 2003 (Docket #4157).

8<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of

PricewaterhouseCoopers LLP for the Eighth Interim Period (Docket #4039), filed on or about July 10, 2003, in which we recommended approval of fees totaling \$444,280.26 and expenses totaling \$9,296.54, reflecting our recommended reductions of \$1,714.44 in fees and \$140.56 in expenses, as further explained in paragraphs 8, 11, 13 and 14 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Eighth Period, dated September 22, 2003 (Docket #4480).

9<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of PricewaterhouseCoopers LLP for the Ninth Interim Period (Docket #4529), filed on or about October 3, 2003, in which we recommended approval of fees totaling \$166,142.09 and expenses totaling \$2,594.86, reflecting our recommended reductions of \$6,163.04 in fees, as further explained in paragraphs 7, 9 and 10 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Ninth Period, dated December 15, 2003 (Docket #4827).

10<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of PricewaterhouseCoopers LLP for the Tenth Interim Period (Docket #5045), filed on or about February 3, 2004, in which we recommended approval of fees totaling \$112,016.95 and expenses totaling \$2,224.09. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Tenth Period, dated April 26, 2004 (Docket #5482).

11<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of PricewaterhouseCoopers LLP for the Eleventh Interim Period (Docket #5643), filed on or about May 24, 2004, in which we recommended approval of fees totaling \$422,981.51 and expenses totaling \$19,604.43, reflecting our recommended reduction of \$719.50 in fees, as further explained in paragraph 4 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Eleventh Period, dated June 16, 2004 (Docket #5822).

12<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of PricewaterhouseCoopers LLP for the Twelfth Interim Period (Docket #6059), filed on or about July 29, 2004, in which we recommended approval of fees totaling \$513,685.23 and expenses totaling \$13,680.49 reflecting our recommended reductions of \$6,926.90 in fees, as further explained in paragraphs 3, 4, 5 and 6 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twelfth Period, dated September 27, 2004 (Docket #6465).

13<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of PricewaterhouseCoopers LLP for the Thirteenth Interim Period (Docket #6993), filed on or about November 18, 2004, in which we recommended approval of fees totaling \$315,885.89 and expenses totaling \$5,799.86, reflecting our recommended reductions of \$742.00 in fees and \$20.00 in expenses, as further explained in paragraphs 4 and 5 of that final report. The

Court approved \$315,627.89 in fees and \$5,799.86 in expenses in the Order Approving Quarterly Fee Applications for the Thirteenth Period, dated January 26, 2005 (Docket #7622).

14<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of PricewaterhouseCoopers LLP for the Fourteenth Interim Period (Docket #7981), filed on or about March 8, 2005, in which we recommended approval of fees totaling \$550,318.00 and expenses totaling \$28,866.62. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Fourteenth Period, dated March 22, 2005 (Docket #8081).

15<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of PricewaterhouseCoopers LLP for the Fifteenth Interim Period (Docket #8573), filed on or about June 8, 2005, in which we recommended approval of fees totaling \$842,531.26 and expenses totaling \$28,010.99, reflecting our recommended reductions of \$31,791.75 in fees and \$3,678.30 in expenses, as further explain in paragraphs 3-7 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Fifteenth Period, dated June 29, 2005 (Docket #8728).

16<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of PricewaterhouseCoopers LLP for the Sixteenth Interim Period (Docket #9379), filed on or about September 9, 2005, in which we recommended approval of fees totaling \$1,103,292.46 and expenses totaling \$8,429.23,

reflecting our recommended reductions of \$16,162.57 in fees, as further explained in paragraphs 3, 4, and 5 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Sixteenth Period, dated September 27, 2005 (Docket #9513).

17<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of PricewaterhouseCoopers LLP for the Seventeenth Interim Period (Docket #11148), filed on or about November 23, 2005, in which we recommended approval of fees totaling \$239,067.30 and expenses totaling \$1,146.61, reflecting our recommended reductions of \$1,479.60 in fees, as further explained in paragraphs 3 and 4 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Seventeenth Period, dated December 21, 2005 (Docket #11402).

18<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of PricewaterhouseCoopers LLP for the Eighteenth Interim Period (Docket #12018), filed on or about March 9, 2006, in which we recommended approval of fees totaling \$450,767.30 and expenses totaling \$26,569.73, reflecting our recommended reduction of \$3,816.00 in fees, as further explained in paragraph 4 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Eighteenth Period, dated March 27, 2006 (Docket #12121).

19<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications



with No Fee or Expense Issues for the Nineteenth Interim Period (Docket #12525), filed on or about May 25, 2006, in which we recommended approval of fees totaling \$825,069.35 and expenses totaling \$58,171.30. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Nineteenth Period, dated June 16, 2006 (Docket #12660).

20<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twentieth Interim Period (Docket #13183), filed on or about September 8, 2006, in which we recommended approval of fees totaling \$853,910.15 and expenses totaling \$7,513.01. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twentieth Period, dated September 26, 2006 (Docket #13298).

21<sup>st</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-First Interim Period (Docket #13963), filed on or about December 8, 2006, in which we recommended approval of fees totaling \$256,575.60 and expenses totaling \$2,097.33. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-First Period, dated December 19, 2006 (Docket #14069).

22<sup>nd</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-Second Interim Period

(Docket #14868), filed on or about March 15, 2007, in which we recommended approval of fees totaling \$439,844.65 and expenses totaling \$10,913.87. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Second Period, dated May 3, 2007 (Docket #15494).

23<sup>rd</sup> Period: Fee Auditor's Amended Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-Third Interim Period (Docket #16037), filed on or about June 13, 2007, in which we recommended approval of fees totaling \$751,822.64 and expenses totaling \$17,933.20. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Third Period, dated June 20, 2007 (Docket #16105).

24<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-Fourth Interim Period (Docket #16786), filed on or about September 10, 2007, in which we recommended approval of fees totaling \$1,005,377.90 and expenses totaling \$15,340.47. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Fourth Period, dated September 25, 2007 (Docket #16916).

25<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-Fifth Interim Period (Docket #17542), filed on or about December 4, 2007, in which we recommended

approval of fees totaling \$348,642.26 and expenses totaling \$8,530.06.

These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Fifth Period, dated December 13, 2007 (Docket #17629).

26<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-Sixth Interim Period (Docket #18176), filed on or about February 29, 2008, in which we recommended approval of fees totaling \$382,124.55 and expenses totaling \$3,291.24. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Sixth Period, dated March 12, 2008 (Docket #18270).

27<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of PricewaterhouseCoopers LLP for the Twenty-Seventh Interim Period (Docket #18744), filed on or about May 19, 2008, in which we recommended approval of fees totaling \$602,362.04 and expenses totaling \$22,551.19, reflecting our recommended reduction of \$7,458.22 in fees, as further explained in paragraph 3 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Seventh Period, dated June 23, 2008 (Docket #18989).

28<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-Eighth Interim Period (Docket #19535), filed on or about September 15, 2008, in which we recommended

approval of fees totaling \$970,270.83 and expenses totaling \$13,145.28.

These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Eighth Period, dated October 1, 2008 (Docket #19663).

29<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-Ninth Interim Period (Docket #20150), filed on or about November 26, 2008, in which we recommended approval of fees totaling \$327,599.66 and expenses totaling \$5,547.36. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Ninth Period, dated December 17, 2008 (Docket #20283).

29<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-Ninth Interim Period (Docket #20150), filed on or about November 26, 2008, in which we recommended approval of fees totaling \$148,991.34 and expenses totaling \$791.22 for the **Darex Puerto Rico Audit 2003-2006**. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Ninth Period, dated December 17, 2008 (Docket #20283).

30<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of PricewaterhouseCoopers LLP for the Thirtieth Interim Period (Docket #20843), filed on or about February 25, 2009, in which we recommended approval of fees totaling \$434,450.83 and expenses totaling \$13,205.19,

reflecting our recommended reduction of \$431.80 in fees, as further explained in paragraph 3 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirtieth Period, dated April 2, 2009 (Docket #21173).

31<sup>st</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Thirty-First Interim Period (Docket #22047), filed on or about June 10, 2009, in which we recommended approval of fees totaling \$887,804.53 and expenses totaling \$27,677.52. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-First Period, dated July 7, 2009 (Docket #22354).

32<sup>nd</sup> Period: Fee Auditor's Final Report Regarding Fee Application of PricewaterhouseCoopers LLP for the Thirty-Second Interim Period (Docket #22974), filed on or about August 26, 2009, in which we recommended approval of fees totaling \$1,171,927.72 and expenses totaling \$27,102.25, reflecting our recommended reduction of \$11,940.10 in expenses, as further explained in paragraph 5 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Second Period, dated September 28, 2009 (Docket #23352).

32<sup>nd</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Thirty-Second Interim Period (Docket #23240), filed on or about September 15, 2009, in which we recommended approval of fees totaling \$149,994.00 and expenses totaling

\$17,492.95 for the **PwC Advisory Project 2009**. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Second Period, dated September 28, 2009 (Docket #23352).

33<sup>rd</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Thirty-Third Interim Period (Docket #23927), filed on or about December 3, 2009, in which we recommended approval of fees totaling \$444,099.25 and expenses totaling \$4,520.51. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Third Period, dated December 11, 2009 (Docket #23996).

33<sup>rd</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Thirty-Third Interim Period (Docket #23927), filed on or about December 3, 2009, in which we recommended approval of fees totaling \$36,647.48 and expenses totaling \$78.81 for the **Darex 2007 Puerto Rico Audit**. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Third Period, dated December 11, 2009 (Docket #23996).

33<sup>rd</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Thirty-Third Interim Period (Docket #23927), filed on or about December 3, 2009, in which we recommended approval of fees totaling \$51,264.56 and expenses totaling \$40.00 for the **Darex 2008 Puerto Rico Audit**. These recommendations were adopted in

the Order Approving Quarterly Fee Applications for the Thirty-Third Period, dated December 11, 2009 (Docket #23996).

34<sup>th</sup> Period: Fee Auditor's Final Report Regarding the Thirty-Fourth Quarterly Fee Application of PricewaterhouseCoopers LLP for the Period of July 1, 2009 through September 30, 2009 (Docket #24400), filed on or about March 3, 2010, in which we recommended approval of fees totaling \$500,691.65 and expenses totaling \$9,955.17. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Fourth Period, dated March 19, 2010 (Docket #24470).

35<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Thirty-Fifth Interim Period (Docket #24856), filed on or about May 28, 2010, in which we recommended approval of fees totaling \$719,476.21 and expenses totaling \$21,725.48, reflecting our recommended reduction of \$76.22 in fees, as further explained in footnote 13 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Fifth Period, dated June 7, 2010 (Docket #24917).

36<sup>th</sup> Period: Fee Auditor's Amended Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Thirty-Sixth Interim Period (Docket #25384), filed on or about September 10, 2010, in which we recommended approval of fees totaling \$1,029,802.58 and expenses totaling \$20,753.76, reflecting our recommended reduction of

\$68.59 in fees, as further explained in footnote 8 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Sixth Period, dated September 13, 2010 (Docket #25397).

37<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Thirty-Seventh Interim Period (Docket #25850), filed on or about December 2, 2010, in which we recommended approval of fees totaling \$520,782.32 and expenses totaling \$7,012.93. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Seventh Period, dated December 10, 2010 (Docket #25905).

38<sup>th</sup> Period: Fee Auditor's Final Report Regarding Fee Application of PricewaterhouseCoopers LLP for the Thirty-Eighth Interim Period (Docket #26422), filed on or about February 25, 2011, in which we recommended approval of fees totaling \$712,554.20 and expenses totaling \$12,626.30, reflecting our recommended reduction of \$1,021.84 in fees, as further explained in paragraph 4 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Eighth Period, dated March 25, 2011 (Docket #26627).

39<sup>th</sup> Period: Fee Auditor's Final Report Regarding the Thirty-Ninth Quarterly Fee Application of PricewaterhouseCoopers LLP for the Period October 1, 2010 through December 31, 2010 (Docket #26887), filed on or about May 5, 2011,



in which we recommended approval of fees totaling \$749,272.10 and expenses totaling \$23,951.06, reflecting our recommended reduction of \$116.84 in fees, as further explained in paragraph 6 of that final report.

These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Ninth Period, dated June 30, 2011 (Docket #27188).

40<sup>th</sup> Period: Fee Auditor's Final Report Regarding the Fortieth Quarterly Fee Application of PricewaterhouseCoopers LLP (Docket #27243), filed on or about July 12, 2011, in which we recommended approval of fees totaling \$818,206.96 and expenses totaling \$28,019.63. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Fortieth Period, dated September 20, 2011 (Docket #27622).

40<sup>th</sup> Period: Fee Auditor's Final Report Regarding The Fortieth Quarterly Fee Application of PricewaterhouseCoopers LLP (Docket #27243), filed on or about July 12, 2011, in which we recommended approval of fees totaling \$67,003.30 and expenses totaling \$618.15 for the **Darex 2010 Puerto Rico Audit**. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Fortieth Period, dated September 20, 2011 (Docket #27622).

40<sup>th</sup> Period: Fee Auditor's Final Report Regarding The Fortieth Quarterly Fee Application of PricewaterhouseCoopers LLP (Docket #27243), filed on or about July 12, 2011, in which we recommended approval of expenses totaling \$2,828.72,

for the **Controls Optimization Project for March 2010**, approval of fees totaling \$26,876.76 and expenses totaling \$374.50, for the **Controls Optimization Project for April - May 2010**, and approval of fees totaling \$20,792.56 and expenses totaling \$105.00, for the **Controls Optimization Project for June 2010**. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Fortieth Period, dated September 20, 2011 (Docket #27622).

40<sup>th</sup> Period: Fee Auditor's Final Report Regarding The Fortieth Quarterly Fee Application of PricewaterhouseCoopers LLP (Docket #27243), filed on or about July 12, 2011, in which we recommended approval of fees totaling \$44,428.80 and expenses totaling \$1,403.26 for the **Shared Services Project**. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Fortieth Period, dated September 20, 2011 (Docket #27622).

41<sup>st</sup> Period: Fee Auditor's Amended Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-First Interim Period (Docket #28070), filed on or about December 2, 2011, in which we recommended approval of fees totaling \$432,724.72 and expenses totaling \$8,122.78. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-First Period, dated December 14, 2011 (Docket #28150).

41<sup>st</sup> Period: Fee Auditor's Amended Combined Final Report Regarding Those Fee

Applications with *De Minimis* or No Fee or Expense Issues for the Forty-First Interim Period (Docket #28070), filed on or about December 2, 2011, in which we recommended approval of fees totaling \$35,958.86 and expenses totaling \$2,685.42 for the **Darex Puerto Rico Audit - March - April 2011**. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-First Period, dated December 14, 2011 (Docket #28150).

42<sup>nd</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Second Interim Period (Docket #28548), filed on or about February 20, 2012, in which we recommended approval of fees totaling \$682,597.42 and expenses totaling \$11,036.74. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Second Period, dated March 23, 2012 (Docket #28705).

42<sup>nd</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Second Interim Period (Docket #28548), filed on or about February 20, 2012, in which we recommended approval of fees totaling \$74,967.85 for the **Global Restructuring Project for April - July 2011**. This recommendation was adopted in the Order Approving Quarterly Fee Applications for the Forty-Second Period, dated March 23, 2012 (Docket #28705).

42<sup>nd</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications

with *De Minimis* or No Fee or Expense Issues for the Forty-Second Interim Period (Docket #28548), filed on or about February 20, 2012, in which we recommended approval of fees totaling \$206,388.60 for the **Global Restructuring Project for August - September 2011**. This recommendation was adopted in the Order Approving Quarterly Fee Applications for the Forty-Second Period, dated March 23, 2012 (Docket #28705).

42<sup>nd</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Second Interim Period (Docket #28548), filed on or about February 20, 2012, in which we recommended approval of fees totaling \$24,039.11 and expenses totaling \$94.80 for the **Darex Puerto Rico Audit - May - June 2011**. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Second Period, dated March 23, 2012 (Docket #28705).

43<sup>rd</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Third Interim Period (Docket #28900), filed on or about May 9, 2012, in which we recommended approval of fees totaling \$624,115.33 and expenses totaling \$23,359.11, reflecting our recommended reduction of \$143.89 in fees, as further explained in footnote 14 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the

Forty-Third Period, dated June 14, 2012 (Docket #29054).

43<sup>rd</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Third Interim Period (Docket #28900), filed on or about May 9, 2012, in which we recommended approval of fees totaling \$95,701.10 for the **Global Restructuring Project**. This recommendation was adopted in the Order Approving Quarterly Fee Applications for the Forty-Third Period, dated June 14, 2012 (Docket #29054).

44<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Fourth Interim Period (Docket #29449), filed on or about August 13, 2012, in which we recommended approval of fees totaling \$697,938.55 and expenses totaling \$20,265.21. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Fourth Period, dated October 19, 2012 (Docket #29746).

44<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Fourth Interim Period (Docket #29449), filed on or about August 13, 2012, in which we recommended approval of fees totaling \$154,000.31 and expenses totaling \$4,083.72 for the **Global Restructuring Project**. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Fourth Period, dated October 19, 2012 (Docket #29746).

45<sup>th</sup> Period: Fee Auditor's Amended Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Fifth Interim Period (Docket #29988), filed on or about December 4, 2012, in which we recommended approval of fees totaling \$576,360.33 and expenses totaling \$8,091.74, reflecting our recommended reduction of \$166.24 in expenses, as further explained in footnote 22 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Fifth Period, dated December 11, 2012 (Docket #30036).

45<sup>th</sup> Period: Fee Auditor's Amended Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Fifth Interim Period (Docket #29988), filed on or about December 4, 2012, in which we recommended approval of fees totaling \$57,618.23 and expenses totaling \$2,628.39 for the **Darex Puerto Rico Audit - December 2011 - May 2012**. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Fifth Period, dated December 11, 2012 (Docket #30036).

45<sup>th</sup> Period: Fee Auditor's Amended Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Fifth Interim Period (Docket #29988), filed on or about December 4, 2012, in which we recommended approval of fees totaling \$43,914.97 for the **Global Restructuring Project**. This recommendation was adopted in the

Order Approving Quarterly Fee Applications for the Forty-Fifth Period, dated December 11, 2012 (Docket #30036).

46<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Sixth Interim Period (Docket #30382), filed on or about March 7, 2013, in which we recommended approval of fees totaling \$814,414.37 and expenses totaling \$36,346.28. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Sixth Period, dated March 27, 2013 (Docket #30440).

46<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Sixth Interim Period (Docket #30382), filed on or about March 7, 2013, in which we recommended approval of fees totaling \$24,000.97, for the **Darex Puerto Rico Audit - July - September 2012**. This recommendation was adopted in the Order Approving Quarterly Fee Applications for the Forty-Sixth Period, dated March 27, 2013 (Docket #30440).

47<sup>th</sup> Period: Fee Auditor's Amended Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Seventh Interim Period (Docket #30840), filed on or about July 17, 2013, in which we recommended approval of fees totaling \$954,965.73 and expenses totaling \$18,537.63. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Seventh Period, dated

July 31, 2013 (Docket #30907).

48<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Eighth Interim Period (Docket #31080), filed on or about September 6, 2013, in which we recommended approval of fees totaling \$666,951.60 and expenses totaling \$25,876.46. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Eighth Period, dated September 24, 2013 (Docket #31158).

49<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Ninth Interim Period (Docket #31404), filed on or about November 26, 2013, in which we recommended approval of fees totaling \$630,687.93 and expenses totaling \$6,690.78, reflecting our recommended reduction of \$11.66 in expenses, as further explained in footnote 28 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Ninth Period, dated December 17, 2013 (Docket #31482).

49<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Ninth Interim Period (Docket #31404), filed on or about November 26, 2013, in which we recommended approval of fees totaling \$45,136.23 for the **Global Restructuring Project**. This recommendation was adopted in the Order Approving Quarterly Fee Applications for the Forty-Ninth Period, dated



December 17, 2013 (Docket #31482).

49<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Ninth Interim Period (Docket #31404), filed on or about November 26, 2013, in which we recommended approval of fees totaling \$15,664.60 for the **IRS Audit Project**. This recommendation was adopted in the Order Approving Quarterly Fee Applications for the Forty-Ninth Period, dated December 17, 2013 (Docket #31482).

50<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Fiftieth Interim Period (Docket #31838), filed on or about March 11, 2014, in which we recommended approval of fees totaling \$940,991.20 and expenses totaling \$18,707.00, reflecting our recommended reduction of \$16.43 in expenses, as further explained in footnote 14 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Fiftieth Period, dated March 31, 2014 (Docket #31963).

50<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Fiftieth Interim Period (Docket #31838), filed on or about March 11, 2014, in which we recommended approval of fees totaling \$89,300.36, for the **Darex Puerto Rico 2012 Audit - December 1, 2012 - September 30, 2013**. These recommendations were adopted in the Order Approving Quarterly Fee

Applications for the Fiftieth Period, dated March 11, 2014 (Docket #31963).

50<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Fiftieth Interim Period (Docket #31838), filed on or about March 11, 2014, in which we recommended approval of fees totaling \$20,301.54, for the **Darex Puerto Rico 2011 Audit - September 1, 2012 – September 30, 2013**. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Fiftieth Period, dated March 11, 2014 (Docket #31963).

50<sup>th</sup> Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Fiftieth Interim Period (Docket #31838), filed on or about March 11, 2014, in which we recommended approval of fees totaling \$9,930.13 for the **IRS Audit Project**. This recommendations was adopted in the Order Approving Quarterly Fee Applications for the Fiftieth Period, dated March 11, 2014 (Docket #31963).

51<sup>st</sup> Period: Fee Auditor's Final Report Regarding the Fifty-First Quarterly Fee Application of PricewaterhouseCoopers LLP for the Period of October 1, 2013, through December 31, 2013 (Docket #32049), filed on or about April 24, 2014, in which we recommended approval of fees totaling \$1,070,669.23 and expenses totaling \$13,947.59, reflecting our recommended reduction of \$356.67 in expenses, as further explained in paragraph 3 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Fifty-First Period, dated May 23, 2014 (Docket #32216).

51<sup>st</sup> Period: Fee Auditor's Final Report Regarding the Fifty-First Quarterly Fee Application of PricewaterhouseCoopers LLP for the Period of October 1, 2013, through December 31, 2013 (Docket #32049), filed on or about April 24, 2014, in which we recommended approval of fees totaling \$50,673.94 for the **California Water's Edge Tax Project**. This recommendation was adopted in the Order Approving Quarterly Fee Applications for the Fifty-First Period, dated May 23, 2014 (Docket #32216).

10. We have reviewed the final reports and orders allowing fees and expenses for the prior interim periods, and we do not believe there is any reason to change any of the amounts awarded for the prior interim periods, except for the Fortieth Interim Period. In the order for that period, \$0.00 in fees and \$2,828.72 in expenses were approved for the Control Optimization Project, but the correct amounts were \$2,828.72 in fees and \$0.00 in expenses. No further correction to PwC's final fee and expense request is necessary, however, because PwC has used the correct totals in its final fee and expense calculations.

## CONCLUSION

11. Thus, we recommend final approval of \$31,061,868.29<sup>5</sup> in fees and \$772,606.60<sup>6</sup> in expenses for PwC's services for the Final Application Period.

Respectfully submitted,

**WARREN H. SMITH & ASSOCIATES, P.C.**



By: \_\_\_\_\_  
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**FEE AUDITOR**

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<sup>5</sup>We note that the total of the fees requested in PwC's 47 prior fee applications, plus the compensation sought in the One Hundred Thirty-Second Monthly Application, and the compensation sought for the Global Restructuring Project – January 2014, is \$31,147,143.80. It appears that PwC has deducted from this amount all of the reductions ordered by the Court for the prior periods, which periods are discussed in more detail in paragraph 9, to arrive at the figure it seeks of \$31,061,868.29. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

<sup>6</sup>We note that the total of the expenses requested in PwC's 47 prior fee applications, plus the expenses sought in the One Hundred Thirty-Second Monthly Application, is \$789,190.08. It appears that PwC has deducted from this amount all of the reductions ordered by the Court for the prior periods, which periods are discussed in more detail in paragraph 9, to arrive at the figure it seeks of \$772,606.60. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing document has been served by First Class United States mail to the attached service list on this 14th day of August, 2014.

A handwritten signature in blue ink, appearing to read "W. H. Smith", is positioned above a horizontal line.

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Warren H. Smith

**SERVICE LIST**

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